

1 HOUSE BILL NO. 220
2 INTRODUCED BY J. KASSMIER

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A SELECT COMMITTEE ON ENERGY
5 RESOURCE PLANNING AND ACQUISITION; PROVIDING FOR MEMBERSHIP AND DUTIES; PROVIDING
6 AN APPROPRIATION; ESTABLISHING REPORTING REQUIREMENTS; AND PROVIDING EFFECTIVE
7 DATES AND A TERMINATION DATE."

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9 WHEREAS, access to reliable, least-cost power is foundational to the health, safety, and economic
10 well-being of all Montanans; and

11 WHEREAS, power outages during extreme weather conditions may create devastating economic and
12 human consequences for the citizens of Montana, including the loss of human life; and

13 WHEREAS, electric consumers in Montana face growing reliability risks and rising energy bills due to
14 overreliance on volatile energy markets and the rapid retirement of on-demand generation throughout Montana
15 and the region; and

16 WHEREAS, the ability of Montana energy providers to participate in emerging wholesale electricity
17 markets, resource adequacy programs, and other regional coordination efforts is dependent on adequate
18 access to reliable generation resources; and

19 WHEREAS, the Montana Public Service Commission's oversight of the electricity supply planning and
20 resource acquisition plays a vital role in effectuating the state's energy policy and ensuring access to adequate,
21 reliable power for the citizens of Montana; and

22 WHEREAS, inefficiency and redundancy in this process impedes deployment of electric supply
23 resources and new technologies needed to secure Montana's energy future.

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25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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27 NEW SECTION. **Section 1. Select committee on energy resource planning and acquisition --**
28 **membership.** (1) There is a select committee on energy resource planning and acquisition.

1 (2) The committee is composed of 12 members, including:

2 (a) three members of the house of representatives, two of whom must be appointed by the
3 speaker of the house of representatives and one of whom must be appointed by the minority leader of the
4 house of representatives;

5 (b) three members of the senate, two of whom must be appointed by the president of the senate
6 and one of whom must be appointed by the minority leader of the senate;

7 (c) the president of the Montana public service commission or a designee;

8 (d) the Montana consumer counsel or a designee;

9 (e) two representatives from a public utility, appointed by the president of the senate;

10 (f) a representative from an independent power producer or trade organization representing
11 independent power producers selected by the president of the senate; and

12 (g) one representative from a public interest nonprofit, appointed by the minority leader of the
13 senate.

14 (3) The president of the senate shall designate one of the members as the presiding officer of the
15 committee. The committee may elect additional officers it considers necessary.

16 (4) Committee members are entitled to receive compensation and expenses as provided in 5-2-
17 302.

18 (5) The legislative services division shall provide staff assistance to the committee.

19 (6) State agencies, including the Montana public service commission, the Montana consumer
20 counsel, and the Montana department of environmental quality shall provide information on request.

21 (7) The committee may contract with other entities as needed to obtain adequate and necessary
22 information and technical expertise.

23

24 **NEW SECTION. Section 2. Select committee on energy resource planning and acquisition --**
25 **duties.** The committee shall:

26 (1) undertake a comprehensive review of Montana statutes and administrative rules governing
27 electricity supply planning and resource acquisition;

28 (2) review electricity supply planning and resource acquisition requirements in other states with

- 1 similar characteristics to Montana;
- 2 (3) evaluate the extent to which Montana's planning requirements support access to adequate,
3 reliable power at just and reasonable rates for Montana customers, including but not limited to:
- 4 (a) objectives of the planning process and their relation to resource acquisition and approval;
5 (b) participation by the Montana public service commission and the Montana consumer counsel at
6 each stage of the planning process;
- 7 (c) composition and involvement of a technical advisory committee;
8 (d) public involvement and participation by special interest groups;
9 (e) risks and alternate scenarios to be analyzed in resource planning;
10 (f) documentation of assumptions, methodologies, models, and other planning inputs;
11 (g) the extent to which planning requirements align with state law; and
12 (h) the role of the Montana public service commission in evaluating or approving resource plans;
- 13 (4) analyze whether competitive solicitation requirements and other resource acquisition rules
14 facilitate timely deployment of electricity supply resources and new technologies, including:
- 15 (a) at what stage in the supply planning and acquisition process resource approval should take
16 place;
- 17 (b) the Montana public service commission's role in overseeing utility competitive solicitations;
18 (c) requirements for participation of utility resources in competitive solicitations;
19 (d) the requirements and selection process for a third-party administrator to open, consider, and
20 evaluate bids on behalf of a utility;
- 21 (e) the role of an independent monitor to evaluate the competitive solicitation process on behalf of
22 the Montana consumer counsel;
- 23 (f) the role of public comment in the scoping process for a competitive solicitation;
24 (g) exceptions to competitive solicitation requirements and the process for approving opportunity
25 resources; and
- 26 (h) the process for approving resources selected through a competitive solicitation or an
27 opportunity resource exemption; and
- 28 (5) prepare a final report of its findings and recommendations, and draft legislation if appropriate.

1 The committee shall submit the final report to the governor and the 69th legislature.

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3 NEW SECTION. Section 3. Appropriation. There is appropriated \$105,000 from the general fund to
4 the legislative services division for the biennium beginning July 1, 2023, to support the activities of the select
5 committee on energy resource planning and acquisition.

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7 NEW SECTION. Section 4. Effective dates. (1) Except as provided in subsection (2), [this act] is
8 effective on passage and approval.

9 (2) [Section 3] is effective July 1, 2023.

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11 NEW SECTION. Section 5. Termination. [This act] terminates December 31, 2024.

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